

## CHAPTER 12

### SECTION 6.1

# OVERSEAS PARTNERSHIP AGREEMENTS

ISSUE DATE: January 15, 1988

AUTHORITY: Section 1096, Chapter 55, Title 10 and DoDI 6010.12

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## I. DESCRIPTION

The Military-Civilian Health Services Partnership Program (formerly known as the Joint Health Benefits Delivery Program) is a resource-sharing program which allows beneficiaries to receive inpatient and outpatient services through TRICARE from civilian personnel providing health care services in military treatment facilities and from uniformed services professional providers in civilian facilities. The intent of the Partnership Program is to achieve more effective, efficient, or economical health care for authorized beneficiaries by combining military and civilian health care resources to best utilize available facilities and staff, to provide increased access to health care, and to reduce individual incident cost for the TRICARE beneficiary and program cost for the Government.

## II. POLICY

### A. MTF/Provider Agreements

MTF commanders are responsible for entering into individual partnership agreements only when they have determined specifically that the use of the Partnership Program is more economical overall to the Government than referring the need for health care services to the civilian community under the normal operation of TRICARE/CHAMPUS. All agreements are subject to the review and approval of the Executive Director, TMA, or designee.

The Partnership program applies only to TRICARE Overseas. These agreements will be processed by the Contractor with these jurisdictions. The Contractor shall be the initial reviewer of the Partnership agreements in its jurisdiction; the regional Contractor will not be involved.

B. Claims for services under the Partnership Program will be processed under two types of agreements, Internal and External.

NOTE: For the purposes of this instruction, MTFs can be either an inpatient or an outpatient (clinic) facility.

### 1. Internal Partnership Agreements

These agreements are for TRICARE-authorized services rendered in the MTF by the TRICARE-authorized provider that signed the agreement. Except for the maternity care exception, all services must be provided within the MTF. The negotiated professional charges up to the area prevalings are payable by the contractor.

## 2. External Partnership Agreements

These agreements are for services performed by an MTF provider in a civilian facility, for either inpatient or outpatient services. The military provider will not be reimbursed by the Contractor. External Partnership claims are subject to the normal TRICARE procedures, except that when an inpatient claim is identified as "External Partnership," an NAS is not required. The regular reimbursement procedures apply and normal cost- shares and deductibles are applied.

C. Coverage Criteria. Claims identified as Partnership claims are payable under the following conditions:

1. Existing TRICARE/CHAMPUS requirements are met as concerns beneficiary eligibility and authorized providers.
2. The services rendered are otherwise covered within the TRICARE/CHAMPUS range of benefits.
3. The services are not provided by a resident or intern as part of the resident's or intern's training program or employment with a teaching hospital.
4. Other requirements of DoD Instruction 6010.12 (Enclosure 1) have been met.

## D. Contractor Guidelines for Approval of MTF/Provider Agreements

### 1. Agreement Criteria for Contractor Approval

- a. The provider must be TRICARE-authorized.
- b. The services specified in the agreement must be for TRICARE-covered benefits. If the agreement contains a procedure listing, the Contractor shall indicate in the response to the MTF and the provider if any of the procedures are not reimbursable by the Contractor. For Internal Partnership agreements containing a negotiated fee-schedule by procedures, the negotiated rates must not exceed the profiled amounts. If the rates exceed the profiled amounts, the Contractor must notify the MTF and the provider that TRICARE will pay up to the prevailing and will not be responsible for costs exceeding that amount. (See [Figure 12-6.1-1](#) and [Figure 12-6.1-2](#).)

c. Agreements must include the effective date parameters (effective and termination dates) and the negotiated rate(s), which may be either procedure-specific fees or a percentage of profiled amounts. For those agreements that do not include the necessary information for the Contractor to monitor the agreement effective dates and rates (monitoring rates are required only on agreements with a single percentage of the profiled amounts), the Contractor shall notify the MTF using the appropriate paragraph in [Figure 12-6.1-1](#) or any other documented means, which informs the MTF that the Service's approval

and the effective date must be established prior to the Contractor notifying the provider and processing claims. If the Service has already approved the agreement, the Contractor shall record the Contractor date of approval as the effective date, notify the MTF using the letter shown in [Figure 12-6.1-1](#) and notify the provider using either [Figure 12-6.1-2](#) or [Figure 12-6.1-3](#). A copy of the letter to the provider shall be provided to the MTF. If a Contractor currently has agreements with missing effective dates and rates, the Contractor shall contact the MTF. The effective beginning dates of any agreement shall not be retroactive to the date of the request to the Contractor. Any agreements that contain provisions that are effective retroactive to the request date shall be referred to TRICARE Management Activity (TMA) according to the procedures herein.

2. The Contractor should use its own judgment in deciding to refer an agreement to TRICARE Management Activity. The decision should be based on reviewing the agreement against the above criteria. A referral is indicated, for example, when there are a large number of services that are not covered by TRICARE (more than 50%), when an agreement is for services that are an anomaly to normal health care services, when the provider is not TRICARE-eligible, or when more than fifty percent (50%) of the procedures listed in the agreement have rates that exceed the profiled amounts. If resource sharing in lieu of a specific Partnership agreement will save the Contractor more money than a Partnership agreement, the Contractor may wish to contact the MTF in an attempt to negotiate a resource sharing agreement to place Contractor providers in the MTF. If the MTF commander refuses to accept the Contractor's offer, then the Contractor shall either approve the Partnership agreement, or if it fails to meet one of the above criteria, refer it to TRICARE Management Activity. The COR TRICARE Overseas Program, TMA may be contacted for guidance prior to the Contractor making a decision to refer an agreement to the TRICARE Management Activity.

### 3. Processing Agreements

a. When an agreement is approved by TMA, the Contractor shall use the [Figure 12-6.1-1](#), letter to notify the appropriate Surgeon's General Office (or the designee), the MTF, and the COR TRICARE Overseas Program (copies of the MTF notice are acceptable). The Contractor shall attach a copy of the Partnership Agreement to the notification. Effective October 1, 1989, the notice to the COR must include the negotiated rates and effective and termination dates of agreements. Once the Contractor notifies the provider (using [Figure 12-6.1-1](#) or [Figure 12-6.1-3](#)) that an agreement is approved, the Contractor shall process claims under the agreement according to the agreement effective date parameters and the negotiated rate(s), provided the claim is identified as a Partnership claim and the appropriate block of the DD Form 2520 (Block 20) or the HCFA 1500 (Block 21) indicated that the services were provided in the MTF.

b. When an agreement does not meet the criteria herein, provide the reasons and refer it by overnight mail to the TMA Partnership Coordinator within ten (10) working days of receipt by the Contractor. The Contractor is not required to take any further action on these agreements unless directed by TMA. If approved by TMA, the Contractor will be notified and will follow the procedures herein. TMA will notify the appropriate Surgeon General, the MTF and the Contractor of all disapprovals within the time limits specified in DoD 6010.12.

c. External provider agreements affect the normal TRICARE processing system in a more limited way since the usual reimbursement, cost-sharing and deductible

requirements apply (NAS is not required, however). MTFs are responsible for ensuring that External claims are identified as "EXTERNAL PARTNERSHIP."

#### E. Partnership Providers

##### 1. Claim Acceptance

To have a Partnership claim accepted as valid by the Contractor, a provider must:

- a. Be a TRICARE-authorized provider
- b. Check the "yes" block for provider participation on the appropriate TRICARE-authorized claim forms Block 26 of the HCFA 1500, Block 32 of the DD Form 2520. (After December 31, 1995, the DD Form 2520 will no longer be acceptable for TRICARE claims filing except for services in foreign countries.)
- c. Have a valid Partnership agreement for TRICARE-authorized services, except for ancillary services (Ancillary services billed under the Partnership Program need not be performed by a Partnership provider.).
- d. Deliver services in the MTF except for services provided under External agreements and the following exception.

EXAMPLE: A Partnership Provider providing maternity care to a patient who will deliver in the MTF, may provide pre-natal and post-natal care at the provider's normal off-base site if the alternate place of service has been approved by the MTF. Since reimbursement for maternity care is based on a global fee, the exception should not affect the usual procedures for processing maternity care claims.

EXCEPTION: When the beneficiary does not complete the maternity care using the Partnership provider, the Partnership provider may bill and receive payment for the care according to TRICARE rules concerning the partial payment of global fees and maternity care reimbursement. If the Contractor has reason to question a Partnership provider's place of service, the Contractor's Partnership Coordinator shall contact the MTF Partnership Coordinator to determine if an alternate place of service has been approved.

- e. Clearly identify the claim as "Partnership" or "External Partnership".
- f. Bill Services Rendered Using a TRICARE-Approved Procedure Code

Charges for supplies, equipment and support personnel must be included in the billed procedure code; TRICARE payment is limited to the lowest of the negotiated rates, the billed charges, the prevailing charges, or maximum allowable prevailing charges.

- g. Approval of Medical Groups, Clinics, Associations

Contractors are required to individually certify providers within groups.

Contractors shall notify new groups under Partnership (using [Figure 12-6.1-2](#)) that they must provide any provider changes, including EINs/SSNs, to the Contractor.

F. Notification of Suspended/Excluded/Terminated Partnership

The contractor will notify the appropriate MTF whenever a Partnership provider is suspended, excluded or terminated. Contractors will take appropriate action to preclude payments to these providers.

G. Claims Processing

1. Eligibility

TRICARE funding of the Partnership Program is restricted to providing TRICARE-authorized benefits to eligible beneficiaries through TRICARE-authorized providers. CHAMPVA beneficiaries are not eligible under Internal Partnership Agreements; any Partnership claim received for a CHAMPVA beneficiary shall be forwarded to CHAMPVA. Claims for active duty members and for other MTF-eligible beneficiaries are not payable under this program.

2. Jurisdiction

The Partnership Program within the 50 United States, the District of Columbia, and Puerto Rico is no longer in effect with the implementation of TRICARE within each MCS Region.

3. Contractor/MTF Coordinators

Each MTF will designate a point of contact for the Contractor on all matters related to the Partnership Program. The name and phone number of this individual will be communicated to the Contractor. The Contractor shall appoint at least one individual (and one alternate) as the Partnership coordinator who will review the agreements and resolve any issues relating to Partnership claims adjudication. The Contractor's Partnership coordinators will act as liaison with the MTFs and Partnership providers. The name and telephone number of the Contractor's coordinators must be provided to the COR, TRICARE Overseas Program TMA, Operations Directorate, and to the MTFs. Notice of any changes in personnel assigned shall be sent to the MTFs, Partnership providers and to the TCOR, TRICARE Overseas Program within twenty-one (21) calendar days of the change.

4. Identification of Claims

a. Providers or MTFs will identify claims under the Internal Partnership Program by stamping "PARTNERSHIP" on the appropriate TRICARE-approved claim form. MTFs are responsible for ensuring that External Partnership claims are identified as "EXTERNAL PARTNERSHIP."

b. Claims not identified as Partnership Program claims by the appropriate stamp may still be processed as Partnership Program claims if BOTH of the following conditions are met:

(1) Block 32 of the HCFA 1500 or Block 20 of the DD Form 2520 indicates that the services were performed in the MTF (After December 31, 1995, the DD Form 2520 will no longer be acceptable for TRICARE claims filing except for services in foreign countries.); and

(2) The Contractor's files indicate that the provider is a Partnership provider. If the Contractor's system requires that the provider use a Partnership Program specific provider number, that number must be present on the claim.

c. If the information received on the face of the claim does not meet both requirements set forth above but is sufficient to lead to a conclusion that it was intended as a Partnership claim, it may be denied, using the EOB message, "Partnership claim not correctly submitted."

d. All other claims not identified as Partnership Program claims will be processed as normal TRICARE claims since there will be no way to distinguish these claims from any other. The Contractor must develop procedures to separately identify Internal and External Partnership claims within the claims processing system; e.g., additional indicator in the claim number, special flags, etc.

## 5. Claims Processing Requirements

The Contractor shall process Partnership claims in the same manner and use the same criteria as for other TRICARE claims and shall adhere to the existing timeliness and quality standards of performance. The Contractor may designate Partnership claims from network providers and/or for services to Prime enrollees as in-system claims, but must notify TMA of this designation and must notify the MTF where to send both in-system and out-of-system claims for processing. Prime enrollees will not be restricted from using Partnership providers for care at MTFs nor will they be required to pay nominal copayments or cost-shares for services rendered under internal Partnership agreements.

a. DEERS eligibility checks are required. The Contractor shall check for OHI information, deny noncovered benefits, check for duplicate payments, issue EOBs, ensure claims meet the timely filing requirements, apply program limits detailed in the TRICARE Contractors Manual, check provider files, and apply normal recoupment procedures.

b. All Internal and External Partnership claims must be processed as participating provider claims.

c. If a beneficiary has "other health insurance," the claim for the Partnership services must first be filed with the other coverage before being submitted to the Contractor. This includes other coverage provided by an HMO/PPO. Under normal circumstances, care would be denied if a beneficiary waives benefits due from their double coverage plan; however, under Partnership, if the beneficiary opts to use Partnership services in the military treatment facility, and the HMO/PPO will not pay, TRICARE will pay the negotiated rate for covered services.

d. The Contractor must verify that each Partnership claim has been submitted by a TRICARE authorized provider who is under a Partnership agreement (except for ancillary services rendered under an External Agreement). If Partnership claims are received from



non-Partnership providers, they must be denied using the EOB message "Not an authorized Partnership provider."

e. To avoid any potential abuse or confusion in the processing of claims when a resident is the provider of care under a Partnership Agreement, a certification must be obtained from the entity employing the resident which states that the services provided under the Partnership Agreement are not part of the resident's training program or employment with the teaching hospital. The resident must meet all other TRICARE requirements such as licensure, etc.

f. A Contractor shall furnish EOBs to the beneficiary, the Partnership provider and the MTF coordinator. At the option of the Contractor, a listing of processed claims may be submitted to the MTF in lieu of a EOB. The listing must contain all of the information contained on the EOB and be submitted to the MTF at least weekly. The content and format must be approved by the Contracting Officer's Representative, TMA.

g. If a Partnership claim is processed incorrectly; e.g., a claim is originally processed as a TRICARE claim, but later discovered to be a Partnership claim, the claim shall be adjusted using the TRICARE adjustment procedures.

h. The Contractor for Partnership claims shall follow its usual procedures for developing claims for missing or incomplete information.

i. The Contractor shall process the claim applying the discount, if any, according to the agreement.

j. All charges are subject to the overseas TRICARE medical review requirements.

k. External Partnership claims associated with an inpatient stay during which there is a change in the negotiated rate under the Partnership agreement shall be processed based on the negotiated rate in place on the date of admission.

## 6. Exceptions

a. An INAS is not required for the Partnership Program.

b. Cost-shares and deductibles shall not be taken on Internal Partnership claims (usual cost-share and deductible procedures apply to External Agreement claims).

## 7. Denials

All charges related to a single procedure will be processed under a TRICARE-authorized procedure code. The following shall be denied:

a. Charges for support personnel, physician-owned equipment and non-covered supplies separately billed.

b. Internal Partnership claims if care is rendered in a facility other than an MTF. Block 32 of the revised HCFA 1500 (or Block 21 of the old HCFA 1500) and Block 20 of the

DD Form 2520 must clearly indicate the name of the MTF if the claim is to be paid under the Partnership Program. The location of the MTF is required in Block 32 of the HCFA 1500 or Block 20 of the DD Form 2520, for internal Partnership claims if the care is provided in a facility other than an MTF. (After December 31, 1995, the DD Form 2520 will no longer be acceptable for TRICARE claims filing except for services in foreign countries.)

c. Partnership claims from providers that are not identified as Partnership providers on the Contractor's system (Exception: Providers submitting claims for ancillary-related services rendered under an External Agreement). For the purpose of external Partnership agreements, a sterilization performed by a civilian physician during the same admission as a delivery performed by a military physician, shall be treated as an ancillary claim.

d. Claims for non-TRICARE benefits and for services outside the policy limitations.

e. External Partnership claims submitted by the active duty provider of care.

f. Claims outside the effective date parameters of agreements that are being monitored.

#### 8. Requests for Information

The Contractor shall provide the profiled amount for any procedure when requested by either the MTF or a provider and may assist in negotiating rates for Partnership agreements when requested by the MTF Commander.

#### H. Payment

All payments will be made to Partnership providers. Except as indicated below, Partnership claims are subject to the same TED edits as other TRICARE claims.

##### 1. External Agreements

Claims submitted as a result of External Partnership agreements are processed under normal TRICARE requirements, except that the Contractor must use the Special Processing Flag "B" or "C" and the appropriate NAS Exception Reason Code. The Contractor must ensure that its provider files include a method to indicate External Partnership participation.

##### 2. Internal Agreements

To process vouchers resulting from Internal Partnership agreement claims, the Contractor must modify its automated claims processing system to ensure that:

a. The Special Processing flag "A" for TED will be added and utilized for these claims.

b. The appropriate NAS Exception Reason is used.



c. The cost-shares and deductibles will not be taken on these claims.

3. Provider files include a method to indicate Internal Partnership participation.

4. Two sets of negotiated rates are maintained; the current agreement's rates, and where applicable, the prior agreement's rates. This applies only to agreements where the reimbursement is based on a single percentage of the profiled amounts. The percentage will be applied to either the current or prior year's prevailing charge profile based on the agreement in effect on the date of service. For claims with dates of service prior to both sets of monitored rates, Contractors shall assume the agreement falls within the prior agreement's effective date parameters and process these claims using the prior monitored rates.

#### I. Reports

Any requests from the Surgeons General or MTFs for data/reports must be sent to the TMA Information Systems Statistics Branch. Partnership data will be collected from the TED files.

#### J. Provider Audits

1. Partnership providers are subject to the same claims adjudication and program integrity review requirements as all other providers. In addition, questions which arise in the course of the claims processor's normal quality review audits must be resolved under customary procedures.

2. Audit results are releasable to the MTF upon request except when the audit is part of an ongoing investigation within the Program Integrity Office, TMA. These audit results will not be released until the investigation is completed by all DoD agencies involved.

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**FIGURE 12-6.1-1 SUGGESTED LETTER TO MTFs INFORMING THEM OF THE APPROVAL OF A PARTNERSHIP AGREEMENT**

DATE: \_\_\_\_\_

(MTF Address) \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Dear \_\_\_\_\_:

**If Partnership agreement effective dates have already been established, use the following paragraph:**

The Partnership Agreement between your facility and **(Insert Provider)** has been approved from \_\_\_\_\_ through \_\_\_\_\_. We are sending the provider the necessary information for the submission of claims under this Program; a copy of the letter will be provided to you. You will need to provide separate instructions to the provider if you have unique requirements; for example, a requirement that providers forward claims to the MTF versus the Contractor. Please be aware, however, that approval of the attached agreement(s) does not constitute a guarantee of TRICARE payment; all claims are individually subject to program and policy limitations.

**If Partnership agreement effective dates have not been established, use the following paragraph:**

The Partnership Agreement between your facility and **(Insert Provider)** has been approved. Please notify us of the actual effective date so that we may notify the provider. Once you've notified us of the effective date, we will send the provider the necessary information for submission of claims under this Program; a copy of the letter will be provided to you. Claims can not be processed under the Partnership Program until the effective dates are established; therefore, claims will be denied until we receive this information from you. You will need to provide separate instructions to the provider if you have unique requirements; for example, a requirement that providers forward claims to the MTF versus the Contractor. Please be aware, however, that approval of the attached agreement(s) does not constitute a guarantee of TRICARE payment; all claims are individually subject to program and policy limitations.

**If the Partnership agreement is based on a single percentage of the profiled amounts, use this paragraph:**

Per the agreement, the reimbursement of the Partnership provider shall be based on a single percentage of the profiled amounts (the prevailing charge or the maximum allowable prevailing charge [also called the Medicare Economic Index adjusted prevailing charge], whichever is lower). The provider may continue to bill his or her usual charge for each procedure. However, we will automatically calculate the negotiated percentage of the profiled amounts and reimburse the provider at the percentage of each procedure's profiled amount, or the billed charge if lower. Agreements based on a percentage of the profiled amounts apply to all services rendered by the provider.

**If the Partnership agreement is based on a fee schedule or multiple percentages of the profiled amounts, use this paragraph:**

**FIGURE 12-6.1-1 SUGGESTED LETTER TO MTFs INFORMING THEM OF THE APPROVAL OF A PARTNERSHIP AGREEMENT (CONTINUED)**

Per the agreement, the reimbursement of the Partnership provider shall be based on a fee schedule of negotiated procedures or on multiple percentages of the profiled amounts (the prevailing charge or the maximum allowable prevailing charge [also called the Medicare Economic Index adjusted prevailing charge], whichever is lower). Contractors will reimburse the provider the billed amount (unless the billed charges exceed the profiled amounts) for Partnership services rendered under a fee schedule type agreement. This includes agreements negotiated with multiple percentages of the profiled amounts since this is a variation of a fee schedule arrangement. Our provider letter informs the Partnership provider of the requirement to bill at the discounted rates. It is the responsibility of the MTF to ensure that providers billing under a fee schedule type of agreement bill the discounted amount as the Contractor will not monitor what a provider bills under these type of agreements. However, we will notify the MTF if we notice a provider not billing the negotiated fees so that you can enforce proper billing.

If you have any questions regarding this notice or about the Partnership program, please contact **(Contractor Contact Person)** at **(Phone #)**.

Your cooperation is appreciated.

Sincerely,

**(Contractor signature)**

**FIGURE 12-6.1-2 SUGGESTED LETTER INFORMING THE PROVIDER OF THE APPROVAL OF AN INTERNAL PARTNERSHIP AGREEMENT**

DATE:  
(Provider Address)  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear \_\_\_\_\_:

A proposed Internal Partnership Agreement between **(Provider)** and **(Military Treatment Facility (MTF))** was received on **(Date)**. This agreement has been reviewed and approved for the period from **(Date)** to **(Date)** for **(Provider)** at **(Military Treatment Facility (MTF))**.

**If the Contractor identifies any procedure in agreements with fee schedule type of reimbursement that exceeds the profiled amount, the following statement shall be added:**

Some of the procedures submitted have been identified as having rates that exceed the profiled amounts (the prevailing charge or the maximum allowable prevailing charge [also called the Medicare Economic Index adjusted prevailing charge], whichever is lower); TRICARE will only pay up to the allowable charge for each procedure.

**If the Contractor identifies any procedure/service in agreements with fee schedule type of reimbursement that is not a TRICARE benefit, the following statement shall be added:**

The following listed procedures/services have been identified as non-TRICARE benefits and, if billed to TRICARE, will not be paid by TRICARE."

**When the Contractor notifies clinics, groups, associations of approval under Partnership, use the following paragraph:**

Your organization is approved under the Partnership Program and is assigned a group provider number. We are required, however, to maintain a list of all the individual providers within your organization with their own EIN/SSN and ensure that each is an authorized provider under TRICARE. All providers currently listed as providers under your organization are individually approved under TRICARE. It is an ongoing requirement that you notify us of any provider changes, including the EINs/SSNs.

You may begin submitting claims under this agreement according to the procedures you've established with the military treatment facility and the procedures listed below. Remember that claims for services that are not TRICARE benefits are not the responsibility of TRICARE and will not be paid by TRICARE.

**If the Partnership agreement is based on a percentage of the profiled amounts, use this paragraph:**

**FIGURE 12-6.1-2 SUGGESTED LETTER INFORMING THE PROVIDER OF THE APPROVAL OF AN INTERNAL PARTNERSHIP AGREEMENT (CONTINUED)**

Per the agreement, the reimbursement of your Partnership claims will be based on a single percentage of the profiled amounts [the prevailing charge or the maximum allowable prevailing charge (also called the Medicare Economic Index adjusted prevailing charge), whichever is lower]. You may continue to bill your usual charge for each procedure. We will automatically calculate the negotiated percentage of the profiled amounts and reimburse you at the percentage of each procedure's profiled amount, or the billed charge if lower. Agreements based on a percentage of the profiled amount apply to all services rendered by you.

**If the Partnership agreement is based on a fee schedule or multiple percentages of profiled amounts, use this paragraph:**

You are required to bill the fees specified by your agreement. We will not reduce your usual charges to the discounted fee unless they exceed the allowable charge for that procedure, in which case it will be reduced to the profiled amount (the prevailing charge or the maximum allowable prevailing charge [also called the Medicare Economic Index adjusted prevailing charge], whichever is lower). In addition, we will notify the MTF that you are not billing TRICARE your agreed-upon discounted rates.

If a beneficiary has other health insurance (OHI), the claim for Partnership services must first be filed with the other coverage before being submitted to us. Documentation of the action taken by the other coverage must accompany claims submitted to us.

To facilitate the processing of your Partnership claims, please ensure that:

1. Each claim is identified by a large, bold stamp, "PARTNERSHIP," which does not obscure the claim information. If claims are not so identified, they will be processed as TRICARE claims since it is impossible for us to otherwise distinguish Partnership claims.
2. You submit all Partnership claims on the HCFA 1500 or the DD Form 2520. (After December 31, 1995, the DD Form 2520 will no longer be acceptable for TRICARE claims filing except for services in foreign countries.) No beneficiary submitted claims will be processed.
3. The claim form must clearly indicate that you are a participating provider by checking the participating "yes" block on the appropriate TRICARE-approved claim forms. (HCFA 1500 Block 26; DD Form 2520: Block 32.)
4. You bill for any/all related services under a TRICARE-approved procedure code.
5. You only bill for procedures/services that are within the scope of the approved agreement.
6. Services billed to TRICARE are only provided to eligible beneficiaries.
7. All Partnership services are performed within the military treatment facility (MTF) and the appropriate block of the HCFA 1500 (Block 21) or the DD Form 2520 (Block 20) must indicate that the services were provided in the MTF. (If a Partnership provider has approval to provide pre-natal and post-natal care in his/her off-base location, the following statement shall be added: "The requirement to provide care within the MTF is waived in your case since the MTF has approved your off-base location for pre-natal and post-natal care as long as the birth occurs at the MTF.")

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**FIGURE 12-6.1-2 SUGGESTED LETTER INFORMING THE PROVIDER OF THE APPROVAL OF AN INTERNAL PARTNERSHIP AGREEMENT (CONTINUED)**

8. If a beneficiary has other health insurance, documentation from the other coverage is submitted with the Partnership claim.

9. You do not bill the beneficiary for any cost-share or deductibles.

NOTE: If the Partnership agreement is based on a fee schedule or multiple percentages of the profiled amounts, the Contractor must use statement #10:

10. You bill the fees specified in your Partnership agreement.

Approval of a Partnership agreement does not constitute a guarantee of a TRICARE payment. Internal Partnership claims will be processed in the same manner as TRICARE claims and are subject to program and policy limitations with the exception that no cost-shares or deductibles will be applied and no Nonavailability Statements will be required. Payments will not exceed the TRICARE allowable charges.

Your cooperation is appreciated. Please contact **(Contractor Contact)** at **(Phone Number)** or **(Military Treatment Center)**, contact at **(Phone #)** if you have any additional questions or need additional information.

Sincerely,

**(Contractor Signature Block)**

cc:  
Surgeon General (or designee)  
Military Treatment Facility

**FIGURE 12-6.1-3 SUGGESTED LETTER INFORMING THE PROVIDER OF THE APPROVAL OF AN EXTERNAL PARTNERSHIP AGREEMENT**

**DATE:** \_\_\_\_\_

**(Provider Address)** \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Dear \_\_\_\_\_:

A proposed External Partnership Agreement between (Civilian Facility) and (Military Treatment Center (MTF)) was received on (Date). This agreement has been reviewed and approved for the period from (Date) to (Date) for (Military Treatment Center Provider) at (Civilian Facility).

**If the Contractor identifies any procedure/service that is not a TRICARE benefit, the following statement shall be added:**

**FIGURE 12-6.1-3 SUGGESTED LETTER INFORMING THE PROVIDER OF THE APPROVAL OF AN EXTERNAL PARTNERSHIP AGREEMENT (CONTINUED)**

The following listed procedures/services have been identified as non-TRICARE benefits and, if billed to TRICARE, will not be paid by TRICARE.

If a beneficiary has other health insurance (OHI), the claim for Partnership services must first be filed with the other coverage before being submitted to us. Documentation of the action taken by the other coverage must accompany claims submitted to us.

You may begin submitting claims under this agreement according to the procedures you've established with the military treatment facility and the procedures listed below. Remember that claims for services that are not TRICARE benefits are not the responsibility of TRICARE and will not be paid by TRICARE.

To facilitate the processing of your Partnership claims, please ensure that:

1. Each claim is clearly identified by a large, bold stamp, "EXTERNAL PARTNERSHIP" which does not obscure the claim information. If claims are not so identified, they will be processed as TRICARE claims, since it is impossible for us to otherwise distinguish Partnership claims.
2. Either you or the Military Treatment Facility (MTF) must submit all Partnership claims. No beneficiary submitted claims will be processed.
3. The claim form must clearly indicate that you are a participating provider by checking the participating "yes" block on the appropriate TRICARE-approved claim forms. (UB-82 - Block 59; UB-92 - Block 53; HCFA 1500 - Block 26; DD Form 2520 - Block 32.) (After December 31, 1995, the DD Form 2520 will no longer be acceptable for TRICARE claims filing except for services in foreign countries.)
4. You bill for any/all related services rendered under TRICARE-approved procedure codes.
5. You only bill for procedures/services that are within the scope of the approved agreement.
6. Services billed to TRICARE are only provided to eligible beneficiaries.
7. You do not bill for the services of the Military Treatment Facility provider.
8. If a beneficiary has other health insurance, documentation from the other coverage must be submitted with the Partnership claim.

Approval of these agreements does not constitute a guarantee of a TRICARE payment. External Agreement claims will be processed as TRICARE claims, i.e., cost-shares and deductibles will be taken, and payment may not exceed the TRICARE allowable charge/DRGs for that procedure. Nonavailability Statements will not be required.

Your cooperation is appreciated. Please contact **(Contractor Contact)** at **(Phone Number)** or **(Military Treatment Facility)**, contact at **(Phone #)** if you have any additional questions or need additional information.

Sincerely,



**FIGURE 12-6.1-3 SUGGESTED LETTER INFORMING THE PROVIDER OF THE APPROVAL OF AN EXTERNAL PARTNERSHIP AGREEMENT (CONTINUED)**

**(Contractor Signature Block)**

cc:  
Surgeon General (or designee)  
Military Treatment Facility

**ENCLOSURE 1      DELIVERY OF HEALTH CARE AT MILITARY TREATMENT FACILITIES (MTFs)****Department of Defense  
INSTRUCTION**October 22, 1987  
NUMBER 6010.12

SUBJECT: Military-Civilian Health Services Partnership Program

- References:
- (a) DoD Instruction 6010.12, "Joint Health Benefits Delivery Program," January 10, 1983 (hereby canceled)
  - (b) DoD Instruction 6010.8, "Administration of the Civilian Health and Medical Program of the Uniformed Service (CHAMPUS)," October 24, 1984
  - (c) DoD Directive 6000.7, "Dissemination of Information on Medical Officers," July 29, 1982
  - (d) DoD 6010.8-R, "Civilian Health and Medical Program of the Uniformed Services (CHAMPUS)," March 1986, authorized by DoD Instruction 6010.8, October 24, 1984
  - (e) through (h), see Enclosure 1

**A.    REISSUANCE AND PURPOSE**

This Instruction:

1. Reissues reference (a).
2. Updates procedures to enable the Military Departments to make health care services in their medical treatment facilities (MTFs) more available to health care beneficiaries using the Civilian Health and Medical Program of the Uniformed Services (CHAMPUS); and, to combine military and civilian health care resources to improve the cost-effectiveness of the DoD health care delivery system.

**B.    APPLICABILITY**

This Instruction applies to the Office of the Secretary of Defense (OSD), the Military Departments, the Organization of the Joint Chiefs of Staff (OJCS), the Unified and Specified Commands, the Inspector General of the Department of Defense (IG, DoD), the Uniformed Services University of the Health Sciences (USUHS), the Defense Agencies, and DoD Field Activities (hereafter referred to collectively as "DoD Components"). The term "Military Services," as used herein, refers to the Army, Navy, Air Force and Marine Corps.

**C.    DEFINITIONS**

The terms used in this Instruction are defined in [Enclosure 2](#).

**D.    POLICY**

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**ENCLOSURE 1      DELIVERY OF HEALTH CARE AT MILITARY TREATMENT FACILITIES (MTFs) (CONTINUED)**

1. It is DoD policy to establish a Military-Civilian Health Services Partnership Program (hereafter called the Partnership Program) to integrate specific health care resources between facilities of the Uniformed Services and providers in the civilian health care community. It allows CHAMPUS beneficiaries to receive inpatient care and outpatient services through the CHAMPUS program from civilian personnel providing health care services in MTFs and from uniformed service professional providers in civilian facilities. This policy applies when the MTF is unable to provide sufficient health care services for CHAMPUS beneficiaries through the MTF's own resources.

2. Under this policy:

a. The DoD health care delivery system can operate more efficiently by using the CHAMPUS program to supplement the MTF rather than disengaging the patient to CHAMPUS, the more costly health care component.

b. Health care resources eligible for use under the Partnership Program include providers, support personnel, equipment, and supplies.

c. Charges that accrue to all CHAMPUS beneficiaries for care from a civilian health care provider in the MTF shall be the same as those for MTF patients under the care of a military health care provider (10 U.S.C. 1096(c)), reference (e).

**E.    RESPONSIBILITIES**

1. The Secretaries of the Military Departments shall:

a. Encourage MTF Commanders and their staffs to implement the Partnership Program in their facilities.

b. Educate MTF Commanders and their staffs, beneficiaries, and interested civilian health care personnel about the Partnership Program with the assistance of OCHAMPUS as appropriate.

c. Monitor the savings accrued by using the Partnership Program.

d. Review and evaluate authority related to the Partnership Program operations in the Military Departments.

2. The Surgeons General of the Military Departments shall provide the authority to implement the Partnership Program based on prior approval of their Military Department Secretary.

3. The Director, Office of the Civilian Health and Medical Program of the Uniformed Services, subject to the direction of the Assistant Secretary of Defense (Health Affairs), shall:

a. Promulgate and manage benefit and financial policy issues related to the Partnership Program.

b. Develop a program evaluation process to ensure that the Partnership Program accomplishes the purpose for which it was developed.

c. Provide support for implementation of this Instruction consistent with DoD Instruction 6010.8, reference (b).

d. Provide such information as may be available, upon request, on the use and costs of health care services in a specific geographic area.

e. Develop and provide model partnership agreements to contain terms, conditions and procedures of the partnerships.

4. The Commanders of Military Medical Treatment Facilities, shall:

**ENCLOSURE 1      DELIVERY OF HEALTH CARE AT MILITARY TREATMENT FACILITIES (MTFs) (CONTINUED)**

a. Analyze potential applications of the Partnership Program (including both internal and external partnership agreements) on a case-by-case basis and make a determination prior to entering into each partnership agreement that all of the following criteria are met in that case:

(1) Use of the Partnership Program will meet a need for health care services that is not adequately being met by, and cannot be met with, existing MTF resources.

(2) Use of the Partnership Program is more economical to the Government than referring the need for health care services to the civilian community under the normal operation of the CHAMPUS program.

(3) Use of the Partnership Program is consistent with the mission of the MTF.

(4) Use of the Partnership Program is consistent with high standards of quality health care established for military treatment facilities.

b. In applying the criteria listed in paragraph E.4.a., above, take into account the following points of consideration:

(1) In verifying an unmet need for health care services, consider appointment waiting times, number of Nonavailability Statements issued for a particular service, CHAMPUS use in the area, and other pertinent factors.

(2) In reviewing cost impacts, make a comparison between CHAMPUS costs for that health care service in the community without use of the Partnership Program and providing the service through the Partnership Program. This comparison should take into account the extent, if at all, that the provider in an internal agreement will be supported by his or her own personnel and other resources under his or her direct control and supervision, and in external agreements, the provider fees which would otherwise be applicable under the regular CHAMPUS program.

(3) Ensure that the agreement does not compromise the mission of the facility, and that the health care resources to be provided are consistent with the health care resources to be provided are consistent with the level and type of health care resources generally provided by the MTF.

(4) Review the capability of the facility's credentialing process and quality assurance program to determine whether they are sufficient to monitor the partnership agreement, and consider both the nature and the number of such agreements for the facility.

c. Ensure that all liability issues relating to the Partnership Program are properly addressed and ensure that the participating civilian health care providers have sufficient liability insurance coverage to protect OCHAMPUS beneficiaries as well as the government.

d. Provide quality assurance controls through the medical staff appointment and reappointment procedures, the specific delineation of clinical privileges, periodic in-depth health care provider review and appraisal, and the stipulation that participating civilian health care providers adhere to MTF instructions and medical staff bylaws to the same extent required of Military Department health care providers. The usual Service Procedures will be used to ensure notification of the Federation of State Medical Boards, the National Data Bank, and OCHAMPUS of those practitioners who have had their clinical privileges limited, suspended, or revoked while a participant in the Partnership Program (DoD Directive 6000.7, reference (c)).

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**ENCLOSURE 1      DELIVERY OF HEALTH CARE AT MILITARY TREATMENT FACILITIES (MTFs) (CONTINUED)**

e. Ensure that health care services provided CHAMPUS beneficiaries under the terms of the Partnership Program are consistent with the CHAMPUS range of benefits outlined in current DoD Directives and OCHAMPUS operating policies (DoD Directive 6010.8 and DoD 6010.8-R, references (b) and (d)). Services other than authorized CHAMPUS benefits may be provided in the MTF upon approval of the MTF Commander, in which case the MTF will be responsible for paying the health care provider's charges.

f. Ensure that providers who are potential participators in the Partnership Program are given fair selection opportunities to participate in the program through appropriate notification of opportunities, such as notice to local medical and professional societies, and objective selection standards.

g. Require participating health care personnel to the extent practical to use MTF health care resources, that is, specialty consultants, ancillary services, equipment, and supplies, when such resources are available.

h. Assist in providing appropriate administrative support as necessary to expedite participating health care personnel reimbursements, but not in violation of the prohibition against a Government employee acting as a representative for a claimant against the Government as provided for in 18 U.S.C. 203, 205, reference (h).

i. Encourage beneficiaries to use the services available under partnership agreements rather than those available through the regular CHAMPUS program for care that, in the absence of the Partnership Program, would require issuance of a Nonavailability Statement.

j. Compute charges for beneficiaries under the internal partnership agreement (not under external partnership agreements) as charges are computed for MTF care services (10 U.S.C. 1096(c), reference (e)).

k. Ensure that the participating civilian providers:

(1) Meet the licensing and privileging requirements of the MTF with an internal agreement (DoD Directives 6025.4 and 6025.6, references (f) and (g)).

(2) Agree to comply with all rules and procedures of the MTF.

(3) Provide full professional liability insurance covering acts or omission of such health care provider, as well as those of support personnel, not covered by 10 U.S.C. 1089, and other resources supporting that provider to the same extent as is usual and customary in civilian practice in the community.

(4) Qualify as an authorized CHAMPUS provider under DoD 6010.8-R, reference (d).

**F.      PROCEDURES**

1. Before a partnership agreement may be executed and implemented, the commander of the military medical facility involved shall submit the proposed agreement to the Director, OCHAMPUS, or designee, and the Surgeon General of the appropriate Military Department, or designee. The agreement shall be effective in accordance with its terms on the 30th calendar day, after the Director, OCHAMPUS and the Surgeon General receive it. If the agreement is disapproved, a written statement of reasons for disapproval shall be sent to both the military facility involved and either the Surgeon General or OCHAMPUS, whichever is appropriate. Disapproval by either the Surgeon General or OCHAMPUS shall constitute disapproval.

2. A partnership agreement may contain a provision to provide for supplemental care money to be paid to health care providers for active duty care and for other non-CHAMPUS beneficiary cooperative care.

**ENCLOSURE 1      DELIVERY OF HEALTH CARE AT MILITARY TREATMENT FACILITIES (MTFs) (CONTINUED)**

3. A partnership agreement shall not last longer than 2 years with an option to renew for a 2 year period based upon mutual agreement between the military treatment facility and the civilian provider and may be renewed on its expiration in the same manner as new partnership agreements are established.


4. Notification must be made to providers with existing agreements under the Joint Health Benefits Delivery Program (JHBDP) of the Partnership Program and the need to convert the agreement. The converted agreement will be valid upon the signature of the civilian provider and the military medical commander for the duration of the JHBDP agreement. Beginning January 1, 1988, all agreements made under the JHBDP not then converted to partnership agreements shall be deemed to be partnership agreements for the purposes of this Instruction.

**G.      INFORMATION REQUIREMENTS**

The MTF Commander shall provide semi-annual reports to the major medical command for consolidation to the Surgeon General of the appropriate Military Department and to the Director, OCHAMPUS. The reports shall include information on the numbers of partnership agreements in place, new agreements and expired ones during that period, the medical service discipline or provider category associated with the agreement, and an explanation of charges billed under the program. These reports will be due the last working day of June and September of each year.

**H.      EFFECTIVE DATE AND IMPLEMENTATION**

This Instruction is effective immediately. Forward one copy of implementing documents to the Assistant Secretary of Defense (Health Affairs) within 120 days.

  
William Mayer, M.D.  
Assistant Secretary of Defense  
(Health Affairs)

Enclosures - 4

1. References
2. Definitions
3. Internal Partnership Agreement Model
4. External Partnership Agreement Model

**REFERENCES, continued**

- (f) Title 10, United States Code, Sections 1089, 1096
- (g) DoD Directive 6025.4, "Credentialing of Health Care Provider," February 11, 1985.
- (h) DoD Directive 6025.6, "Licensure of DoD Health Care Providers," July 18, 1985
- (i) Title 18, United States Code, Sections 203, 205

**ENCLOSURE 2      DEFINITIONS**

Oct 22, 87  
NUMBER 6010.12

1. External Partnership Agreement. An agreement between an MTF Commander (of both hospitals and/or clinics) and a CHAMPUS authorized institutional provider whereby health care personnel employed by a military MTF provide medical services to CHAMPUS beneficiaries in a civilian facility, with authorized costs associated with the use of the facility financed through CHAMPUS in accordance with costs sharing policies outlined in DoD 6010.8-R, reference (d). See [Enclosure 4](#).

2. Health Care Personnel. Full or part-time health care professionals and support personnel.

3. Health Care Providers. Civilian health care services personnel who participate in, and facilities which deliver, clinical patient care and services and who are authorized CHAMPUS providers.

4. Internal Partnership Agreement. An agreement executed between an MTF Commander (of both hospitals and/or clinics) and a CHAMPUS authorized civilian health care provider which will enable the use of civilian health care personnel or other resources to provide medical services to beneficiaries on the premises of the MTF. Charges for this care will be paid through CHAMPUS with beneficiary cost shares computed as for MTF services (10 U.S.C. 1096 (c), reference (e)). See [Enclosure 3](#).

5. Other Resources. Equipment, supplies, and any other items or facilities necessary for health care services, but not including health care personnel, when such other resources are used by or are needed to support a health care provider under a partnership agreement.

6. Support Personnel. Non-DoD personnel, not covered by 10 U.S.C. 1089, directly supporting a health care provider under a partnership agreement on the premises of the MTF, under the direct control and supervision of such provider, during the delivery of health care, in the same manner as would be usual and customary in a normal health care office or other applicable clinical setting in the civilian community.



**ENCLOSURE 3      MEMORANDUM OF UNDERSTANDING**

Oct 22, 87  
NUMBER 6010.12  
(Model Internal Partnership Agreement)

MEMORANDUM OF UNDERSTANDING

BETWEEN THE (enter name of MTF) AND (enter name of provider)

CITY OF \_\_\_\_\_ STATE \_\_\_\_\_

A. GENERAL

1. This agreement is entered into by and between \_\_\_\_\_, hereinafter referred to as the hospital, and \_\_\_\_\_, hereinafter referred to as the participating health care provider.

2. The purpose of this agreement is to integrate specific \_\_\_\_\_ hospital and CHAMPUS program resources to provide \_\_\_\_\_ services for CHAMPUS beneficiaries in (enter name of MTF).

3. The participating health care provider is licensed to practice medicine in the State of \_\_\_\_\_ and has completed application for clinical privileges at the hospital for the purpose of practicing medicine in (enter specialty). The participating health care provider agrees to all terms and conditions of the application for clinical privileges at the hospital as well as the terms and conditions of this Memorandum of Understanding.

4. The hospital is a U.S. Government health care facility within the department of Defense operated by the U.S. Department of the \_\_\_\_\_. The hospital is accountable to the Surgeon General of the Department of the \_\_\_\_\_ as the equivalent of the Board of Trustees. The commander of the hospital is the local representative of the Board of Trustees and is responsible for the operation of the hospital.

B. ARTICLES OF AGREEMENT

1. The hospital commander, or designee, shall:

a. Review past and current performance of, determine qualifications of (including review of liability insurance coverage), and select potential participating health care providers.

b. Comply with Utilization Review and Quality Assurance Directives and regulations of the Department of the \_\_\_\_\_, including but not limited to:

(1) Ensuring that participating health care providers are credentialed in accordance with DoD and Military Department regulations and the hospital bylaws.

(2) Ensuring that participating health care providers adhere to the Department of the \_\_\_\_\_ hospital bylaws and DoD and Military Department regulations to the same extent and in the same manner as Department of the \_\_\_\_\_ health care providers.

c. Provide facilities, ancillary support, diagnostic and therapeutic services, and equipment and supplies necessary for the proper care and management of patients under this agreement to the extent available and authorized for that facility.

d. Provide administrative support to participating health care providers to the extent available and authorized for that facility, including:

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**ENCLOSURE 3      MEMORANDUM OF UNDERSTANDING (CONTINUED)**

(1) Maintenance of patient records, including transcription and copying service as may be necessary to satisfy both (enter Military Department) and private practitioner recordkeeping requirements.

(2) Maintenance of participating health care provider case, workload, and credentials files in support of credentialing processes.

(3) CHAMPUS administration requirements, including certification and submission but only to the extent that it is not prohibited by 18 U.S.C. 203, 205.

(4) Reasonable accommodations within the hospital for such periods of time as the participating health care provider may be on after-hours call.

(5) Authorizing subsistence at hospital dining facilities at the rates prescribed for civilian guests.

e. Educate (enter Military Department) hospital staff personnel, beneficiaries, participating health care providers, and other interested civilian providers about the Partnership Program.

f. Provide appropriate reimbursement for care rendered in the hospital to patients not eligible for CHAMPUS benefits.

g. Encourage beneficiaries to use the services of this agreement rather than other CHAMPUS services for care that, in the absence of the Partnership Program, would require issuance of a Nonavailability Statement.

2. The Participating Health Care Provider shall:

a. Meet the licensing and privileging requirements of the MTF (DoD Directives 6025.4 and 6025.2).

b. Monitor overall inpatient medical care and outpatient services that are directly related to the inpatient medical care of patients referred as a part of this agreement except that portion of care rendered by or at the direction of (enter Military Department) health care providers.

c. Provide full professional liability insurance covering acts or omission of such health care provider, as well as those of support personnel not covered by 10 U.S.C. 1089 and other resources supporting that provider as part of this agreement to the same extent as is usual and customary in civilian practice in the community.

d. Provide personal liability coverage applicable to clinical privileges granted with indemnification of the U.S. Government as a third-party beneficiary.

e. Provide full disclosure of all information, including but not limited to past performance as required by the credentialing process.

f. Abide by hospital bylaws and DoD and Military Department regulations with regard to Utilization Review and Quality Assurance Directives, including but not limited to inservice training, maintenance of records, utilization review, performance evaluation, release of medical information, and credentialing.

g. Abide by unique (enter Military Department) requirements concerning the nature of limited privileged communication between patient and health care provider as may be necessary for security and personnel reliability programs.

h. Use all available (enter Military Department) resources; that is, specialty consultations, ancillary services, and equipment and supplies for the optimal care of patients under this agreement.

i. Adhere to the CHAMPUS Health Care Provider Agreement and claim submission requirements concerning allowable payment for services rendered.

**ENCLOSURE 3      MEMORANDUM OF UNDERSTANDING (CONTINUED)****C.    OTHER CONSIDERATIONS**

1. Neither party shall assign, transfer, convey, sublet, or otherwise dispose of this agreement or the right, title, or interest therein or the power to execute such agreement, to any other person, company, or corporations, without the other party's previous written consent.

2. In the event of illness or incapacity rendering the participating health care provider incapable of delivering services, care for patients under this agreement shall be transferred to other participating health care providers at the discretion of the commander of (enter Military Department hospital).

3. The minimum term of this agreement is 2 years with the option to renew for a 2-year period based upon mutual agreement. Termination of this agreement shall be predicted upon satisfactory written notice to the other party not less than 90 days before the proposed termination date. However the 90-day notice may be waived by mutual consent of the parties to the agreement or unilaterally for the convenience of government, including its mobilization requirements.

4. It is understood that the participating health care provider shall abide by (enter Military Department) rules concerning the confidentiality of patient records, as embodied in the Privacy Act of 1974.

5. Participating health care providers shall abide by (enter Military Department) regulations concerning release of information to the public, including advance approval from the (enter Military Department) before publication of technical papers in professional and scientific journals.

6. It is understood that no care rendered pursuant to this agreement will be a part of a study, research grant, or other test without the written consent of the hospital, OCHAMPUS, and the Assistant Secretary of Defense (Health Affairs).

7. The hospital's liability for actions of its employees (hospital staff and Military Department practitioners, but excluding participating health care providers) is governed by Title 10, United States Code, Section 1089.

IN WITNESS WHEREOF, each of the parties hereunto has executed this agreement effective on this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

UNITED STATES OF AMERICA

By \_\_\_\_\_

Title \_\_\_\_\_

PARTICIPATING HEALTH CARE FACILITY

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

**ENCLOSURE 4      MEMORANDUM OF UNDERSTANDING**

Oct 22, 87  
NUMBER 6010.12  
(Model External Partnership Agreement)

MEMORANDUM OF UNDERSTANDING

BETWEEN THE (enter name of MTF) AND (enter name of civilian facility)  
CITY OF \_\_\_\_\_ STATE \_\_\_\_\_

A. GENERAL

1. This agreement is entered into by and between \_\_\_\_\_,  
hereinafter referred to as the military treatment facility, and \_\_\_\_\_,  
hereinafter referred to as the civilian facility.

2. The purpose of this agreement is to integrate specific military treatment facility, CHAMPUS program and civilian facility resources to provide \_\_\_\_\_ services for CHAMPUS beneficiaries in the civilian facility. military treatment facility resources includes, but is not limited to, Uniformed Service professional providers.

3. The military treatment facility will assure that its Uniformed Services professional provider whom it puts forth to provide the services of this agreement is licensed to practice medicine in a U.S. jurisdiction and will qualify for clinical privileges at the civilian facility for the purpose of practicing medicine in (enter specialty). The Uniformed Service professional provider remains under the authority of the military medical treatment facility to which he or she is assigned.

4. The civilian facility is separate from the U.S. Government and is responsible for its own operation.

B. ARTICLES OF AGREEMENT

1. The military treatment facility commander, or designee, shall:

a. Select potential participating civilian health care facilities based on review of past and current performance and a determination of its quality to provide care.

b. Maintain Utilization Review and Quality Assurance oversight of the participating Uniformed Service professional provider during his or her service in the participating civilian facility.

c. Educate (enter MTF) staff personnel, beneficiaries, participating civilian facility, and other interested civilian providers and facilities about the Partnership Program.

d. Provide beneficiaries who are eligible for care under this agreement with appropriate assistance in determining the specific CHAMPUS benefit to which they have access under this agreement.

2. The military treatment facility commander shall assure that the Participating Uniformed Service Professional Provider whom he assigns to fulfill the terms of this agreement shall:

a. Monitor overall inpatient medical care and outpatient services that are directly related to the medical care of patients referred as a part of this agreement.

**ENCLOSURE 4      MEMORANDUM OF UNDERSTANDING (CONTINUED)**

b. Abide by civilian facility bylaws to the extent they do not conflict with DoD and Military Department regulations with regard to Utilization Review and Quality Assurance Directives, including but not limited to inservice training, maintenance of records, utilization review, performance evaluation, release of medical information, and credentialing.

c. Use (enter Military Department) resources to the extent practical for the optimal care of patients under this agreement.

3. The Participating Civilian Facility shall:

a. Provide facilities, ancillary support, diagnostic and therapeutic service, and equipment and supplies necessary for the proper care and management of patients under this agreement.

b. Provide administrative support to participating Uniformed Service professional providers as necessary, including:

(1) Maintenance of patient records, including transcription and copying service as may be necessary to satisfy both (enter Military Department) and civilian facility recordkeeping requirements.

(2) Reasonable accommodations within the civilian facility for such periods of time as the participating Uniformed Service professional provider may be providing care in the facility.

c. Be responsible for personal liability coverage applicable to all civilian facility personnel who may assist the participating Uniformed Service professional provider and hold the Government harmless for any fault that may result from such support personnel act or omission.

d. Adhere to CHAMPUS claims submission requirements for both the institutional charges and those professional charges for which it bills.

C. OTHER CONSIDERATIONS

1. Neither party shall assign, transfer, convey, sublet, or otherwise dispose of this agreement or the right, title, or interest therein, or the power to execute such agreement, to any other person, company, or corporations, without the other party's previous written consent.

2. In the event of illness or incapacity rendering the participating Uniformed Service professional provider incapable of delivering services, care for patients under this agreement may be transferred to other Uniformed Service professional providers at the discretion of the military treatment facility.

3. The minimum term of this agreement is 2 years with the option to renew for a 2-year period based upon mutual agreement. Termination of this agreement shall be predicted upon satisfactory written notice to the other party not less than 90 days before the proposed termination date. However, the 90-day notice may be waived by mutual consent of the parties to the agreement or unilaterally for the convenience of the Government, including its mobilization requirements.

4. It is understood that the participating civilian facility shall abide by (enter Military Department) rules concerning the confidentiality of patient records, as embodied in the Privacy Act of 1974.

5. Participating civilian facilities and its personnel shall abide by (enter Military Department) regulations concerning release of information on matters pertaining to, or services delivered under, this agreement to the public, including advance approval from the (enter Military Department) before publication of technical papers in professional and scientific journals.

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**ENCLOSURE 4      MEMORANDUM OF UNDERSTANDING (CONTINUED)**

6. It is understood that no care rendered pursuant to this agreement will be a part of a study, research grant, or other test without the written consent of (enter name of the military treatment facility), OCHAMPUS, and the Assistant Secretary of Defense (Health Affairs).

IN WITNESS WHEREOF, each of the parties hereunto has executed this agreement effective on this \_\_\_\_\_ day of \_\_\_\_\_, 19 \_\_\_\_.

UNITED STATES OF AMERICA

By \_\_\_\_\_

Title \_\_\_\_\_

AUTHORIZED SIGNER FOR  
PARTICIPATING HEALTH CARE FACILITY

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

- END -